

Flood Fact Sheet

- **Floods** and flash floods happen in all 50 states.
- **Everyone lives in a flood zone.** Most homeowners insurance **does not** cover flood damage.
- **If you live in a Special Flood Hazard Area (SFHA)** or high-risk area and have a federally backed mortgage, your mortgage lender requires you to have flood insurance.
- **Just an inch of water** can cause costly damage to your property.
- **Flash floods** often bring walls of water 10 to 20 feet high.
- **A car can easily be carried away** by just two feet of floodwater.
- **Hurricanes, winter storms and snowmelt** are common (but often overlooked) causes of flooding.
- **New land development** can increase flood risk, especially if the construction changes natural runoff paths.
- **If your community is declared a federal disaster area** then you are eligible to receive federal disaster assistance, which is usually a loan that must be paid back with interest.
- **The National Flood Insurance Program's Preferred Risk Policy** is available and is designed for residential properties located in low- to moderate-flood-risk zones.
- **You are eligible to purchase flood insurance** as long as your community participates in the National Flood Insurance Program. The three counties: Madison, Monroe and St. Clair and the 22 municipalities in the American Bottoms are all NFIP participants. Alorton, Brooklyn and Washington Park are currently not in the program. However, they are working toward reinstatement.
- **It takes 30 days after purchase** for a policy to take effect, so it's important to buy insurance before the floodwaters start to rise. But there are some exceptions. For a list of exemptions see *Myths and Facts about the NFIP* (pdf).



- **Your home has a 26 percent chance** of being damaged by a flood during the course of a 30-year mortgage, compared to a nine percent chance of fire.
- **The average annual U.S. flood losses** in the past 10 years (1994-2004) were more than \$2.4 billion.
- **Since 1978, the NFIP has paid \$31.4 billion** for flood insurance claims and related costs (as of March 31, 2006).
- **Over 5 million people** currently hold flood insurance policies in more than 20,200 communities across the U.S.

Sources: www.floodsmart.gov and www.fema.gov

What is the NFIP?

The U.S Congress established the National Flood Insurance Program (NFIP) with the passage of the National Flood Insurance Act of 1968. The NFIP is a federal program enabling property owners in participating communities to purchase insurance as protection against flood losses in exchange for state and community floodplain management regulations that reduce future flood damages.

Participation in the NFIP is based on an agreement between communities and the federal government. If a community adopts and enforces a floodplain management ordinance to reduce future flood risk to new construction in floodplains, the federal government will make flood insurance available within the community as a financial protection against flood losses. This insurance is designed to provide an insurance alternative to disaster assistance to reduce the escalating costs of repairing damage to buildings and their contents caused by floods.



EAST-WEST GATEWAY
Council of Governments

Creating Solutions Across Jurisdictional Boundaries

Gateway Tower
One Memorial Drive, Ste. 1600
St. Louis, MO 63102-2451

314-421-4220

618-274-2750

Fax 314-231-6120

www.ewgateway.org